

Resolution to Submit California MAGLEV Deployment Program Project Description with Statement Supporting Technology Neutrality

WHEREAS the California High-Speed Rail Authority (Authority) is legislatively mandated to prepare a plan for the construction, operation and financing of a statewide, intercity high-speed train system capable of speeds in excess of 200 miles per hour, and

WHEREAS the Authority has finalized its business plan for the implementation of a statewide high-speed train system after two-and-one-half years of analysis and technical review, and

WHEREAS the Authority has adopted in its business plan a position that it is premature for the state to select a high-speed train technology for California, a position wholly consistent with the Intercity High-Speed Rail Commission, the Legislature, and two governors, and

WHEREAS the Authority finds the following reasons for why technology selection is premature:

- ~~✍~~ The relative strengths and performance of the technologies can change during the next few years.
- ~~✍~~ The program environmental impact report (EIR) will provide greater information about what the statewide system elements will be, where the system will go, and how the system would be developed.
- ~~✍~~ The selection of technology should be competitively bid in an open procurement process that conforms to state law in order to provide the state's taxpayers with the best system for the best price. And

WHEREAS the Authority entered into an arrangement per Governor Gray Davis and Business, Transportation and Housing Agency Secretary Maria Contreras-Sweet to facilitate the state's application on behalf of the Southern California Association of Governments' (SCAG) for the Federal Railroad Administration's (FRA) Maglev Deployment Program, and

WHEREAS Governor Davis stated that while he supported the application, for which Secretary Contreras-Sweet is an applicant on behalf of the state, he was "withholding judgment as to what technology will best serve the needs of Californians until after completion of the program studies," and

WHEREAS the arrangement stipulated that the Authority would serve as contract manager for the Phase One pre-construction activities and allow its name to be on the Project Description, which concludes Phase One and serves as application for Phase Two, and

WHEREAS the Project Description prepared for SCAG is presented for the Authority's consideration, and

WHEREAS the Project Description analyzes the capital costs, ridership and revenue, financing, and environmental issues associated with building and operating a regional Transrapid Maglev system serving Los Angeles International Airport (LAX), Los Angeles Union Station, City of Industry, Ontario Airport, San Bernardino, and Riverside, and

WHEREAS the project description prepared by consultants states the capital costs of the proposed Maglev candidate alternative is \$4.8 billion, would be operational in 2010, would have 15 million passengers per year, would generate \$325 million in revenues, would incur annual operating and maintenance costs of \$76 million, would operate without public subsidy, and would require the construction of a \$250 million steel fabrication plant in the Inland Empire, and

WHEREAS SCAG is requesting the Authority to accept and adopt the Project Description so as to meet the June 30, 2000 deadline set by the FRA.

NOW, THEREFORE, BE IT RESOLVED, that the California High-Speed Rail Authority does not find the information provided in the project description to be sufficient and compelling enough to recommend Maglev for the LAX to Riverside corridor, and

THEREFORE, BE IT RESOLVED, that the California High-Speed Rail Authority recommends to Secretary Contreras-Sweet that the Project Description be submitted to the FRA, as required, with the following statement.

The California High-Speed Rail Authority, upon review of the California MAGLEV Deployment Project Description, does not find the information contained to be sufficient and compelling enough to recommend Maglev technology exclusively for the Los Angeles International Airport to Riverside corridor.

California, and its subdivisions, should continue to review all appropriate high-speed train technologies as potential solutions to the state's intercity and regional mobility challenges. Maglev-specific planning would deprive the state of opportunities for more cost-effective solutions to the state's mobility problems.

~~As~~ As a state agency, the Authority is very concerned about the precedent of having the state responsible for implementing and operating a regional passenger train system.

~~As~~ As the attached matrix created by the Southern California Association of Governments (SCAG) shows, a single-track Maglev system in Southern California would cost \$1.2 billion more than a comparable steel-wheel-on-rail-system. The \$1.2 billion difference is \$250 million more than the potential \$950 million from the

Federal Railroad Administration (FRA). While the Authority does not suggest selecting either technology, it should be noted that steel-wheel-on-rail systems have been proven in revenue service for over 35 years, while the Transrapid Maglev system proposed by SCAG has operated in a test environment only.

- ~~///~~ As a result, the reliability of Maglev capital and operating costs and the lack of a Transrapid Maglev maintenance history make it difficult to ascertain how such a system would be built and function in the important LAX to Riverside corridor.
- ~~///~~ Furthermore, Transrapid is the only provider of the Maglev system proposed. The Project Description, in effect, endorses a sole source award to Transrapid.
- ~~///~~ If the Authority were required to select a high-speed train technology today, it would, in all likelihood, need to select a steel-wheel-on-steel-rail technology. In the Authority's view, selecting the technology provider should be accomplished through an open procurement process that seeks the best system at the best price for the state's taxpayers, and ultimately the high-speed train passengers. If the Authority were to initiate such a process, it does not see how Transrapid could be price competitive with other providers. The Transrapid technology is more expensive to construct and unproven in revenue service. Further, neither Transrapid nor the German government are willing to provide financial performance guarantees for Maglev. As result, the Authority is hard pressed to see how the Transrapid Maglev technology could meet the price and performance criteria that would be critical to selecting a technology provider.
- ~~///~~ Even within the Southern California region, concerns exist about how the Maglev system would co-exist with the Metrolink commuter rail system. The three areas of concern enumerated at the Southern California Regional Rail Authority's (SCRRA) meeting on June 2 should be considered:
 - ~~///~~ (Whether) proposed (Maglev) services...may be competitive versus complementary of Metrolink service.
 - ~~///~~ (Whether) activities...impinge in any way on member agency-owned rights-of-way or access agreements with freight railroads or other property owners (e.g.: Catellus)
 - ~~///~~ (Whether) services or activities, which, as proposed, would increase Metrolink operating costs or subsidy requirements.

It is vital, in the Authority's view, that the tens of millions of dollars that the member agencies of SCRRA have invested in Metrolink, as well as the millions that Governor Gray Davis has proposed in his Traffic Congestion Relief Plan, enable Southern

Californians to benefit from one of the nation's premier commuter rail systems for years to come.

~~✍~~ We are concerned that the Project Description establishes Maglev as the technology of choice for California, selects Transrapid inappropriately as the provider of high-speed trains for the entire state, and commits the state to building a Maglev regional high-speed train system without any guarantee that the federal government would fulfill its share of the construction funding.

Even if these concerns were addressed, the Authority remains steadfast in its position that future high-speed rail planning in California and its many regions should not be technology specific at this time. And,

THEREFORE, BE IT RESOLVED, that copies of this resolution will be sent to Governor Gray Davis, Secretary Maria Contreras-Sweet, FRA Administrator Jolene Molitoris, California Members of Congress, and Members of the California Legislature.

THE FOREGOING RESOLUTION is approved and adopted unanimously by the California High-Speed Rail Authority this 21st day of June, 2000.

Key Features: California Inter-City High-Speed Train (HST) and California MAGLEV Project

	HST	MAGLEV
Total Cost (see note)	\$25 billion	\$5.4 billion
Total Length	700 miles	83 miles
Total Annual Riders in 2020	42 million	28 million
Primary Trip Purpose	Inter-City	Intra-Regional
% of Trips Diverted from Air Travel	45%	Less than 1%
Union Station to Riverside		
Costs	\$2.7 billion	\$3.9 billion
Speed	100 to 150 mph	Up to 240 mph
Alignment Width	50 feet	35 feet
Alignment Options	Railroads	Freeway and Railroad
Travel Time	29 minutes (express)	30 minutes (two stops)
Annual Operating Costs	\$550 million	\$76 million
Commuter Operating Costs	\$51 million (incremental)	\$76 million (total op. cost)
Union Station Passengers/Year	9 million	15 million
Year 2020 Net Operating Income	\$340 million	\$249 million
Dedicated Federal Funds		\$940 million

Source: Letter from Ronald Bates, President, Southern California Association of Governments to Mark T. Harris, Undersecretary, Business, Transportation and Housing Agency, June 7, 2000

Note: California High-Speed Train cost and performance data are from draft business plan and are based on steel-wheel-on-steel-rail technology.